

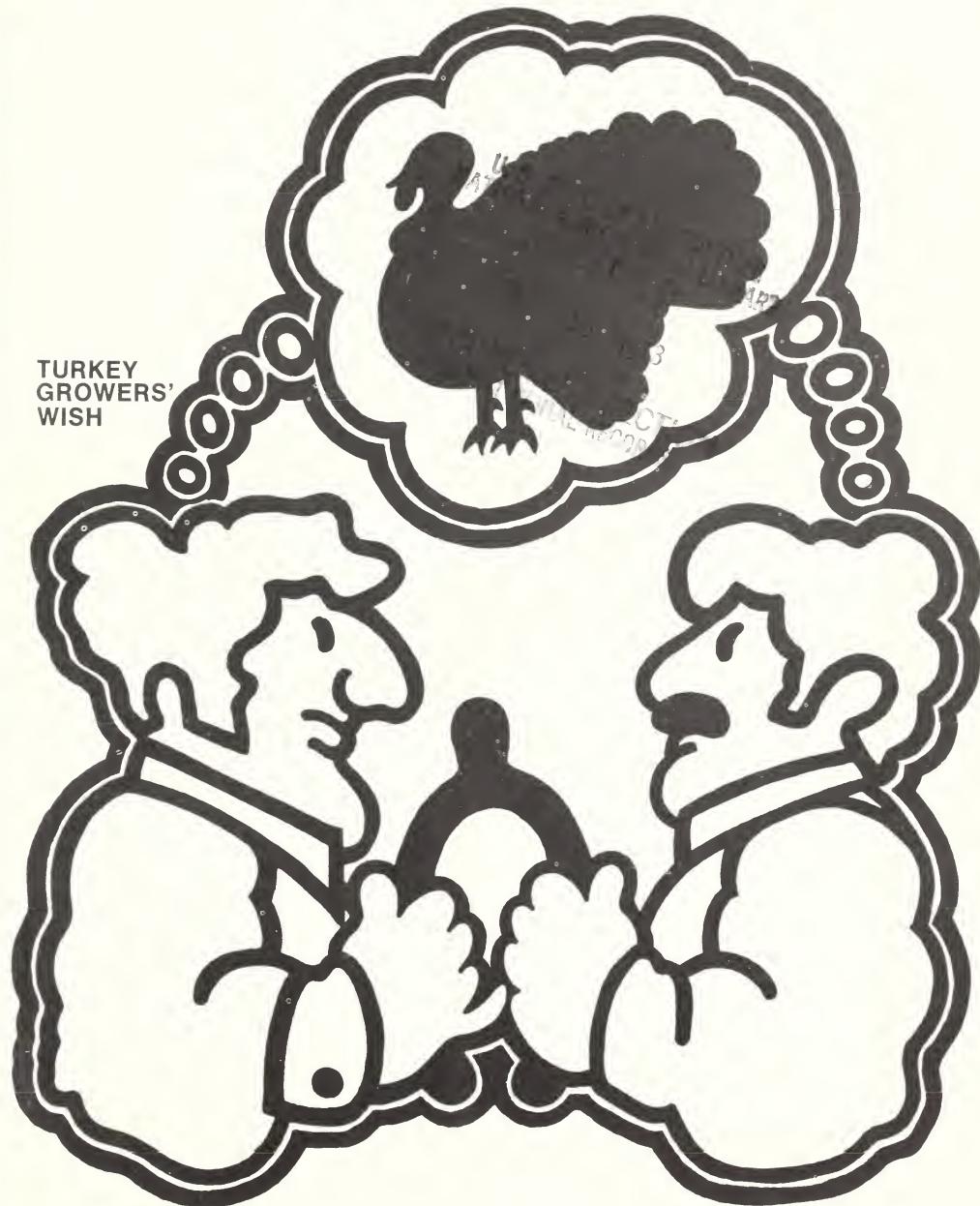
Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

1
EC 7AG
cop. 3

agricultural situation

THE CROP REPORTERS MAGAZINE • NOVEMBER 1973
U.S. DEPARTMENT OF AGRICULTURE • STATISTICAL REPORTING SERVICE



their turkey consumption throughout the year—may take a bit longer to realize.

Turkey is still the favorite food at both Thanksgiving and Christmas: Nearly half of the annual consumption is during the October-December quarter. And while turkeymen appreciate our fondness for the fowl during the holidays, they would like to see more turkey meat on menus at other times of the year, too.

The industry, in fact, has made a concerted effort to alter seasonal consumption patterns—including promotional campaigns as well as new product development. Some headway has been made: Between 1963 and 1972 our turkey helping in the fourth quarter fell from 57.4 to 49.5 percent of the annual total.

Biggest help in balancing out the heavy holiday dining has been the greater everyday use of further processed items developed by the industry—turkey rolls, roasts, pot pies, frozen dinners, ground turkey, and so on.

In 1972 about 35 percent of total certified ready-to-cook turkey was used in further processed items, compared with about 10 percent a decade earlier. USDA projects that 45 percent of production may be going into further processed items by 1980.

What other changes are occurring in the U.S. turkey business? A recent USDA study of the industry's structure, practices, and costs reveals the following trends:

Fewer but larger producers. The 1964 agricultural census showed 42,000 farms raising turkeys, only half as many as 5 years before. However, the average flock size had tripled in the interim to 2,500 birds.

1969 data, which aren't truly comparable with earlier census findings since they excluded farm enterprises selling less than \$2,500 annually, revealed roughly 5,400 farms marketing an average of 19,000 birds apiece.

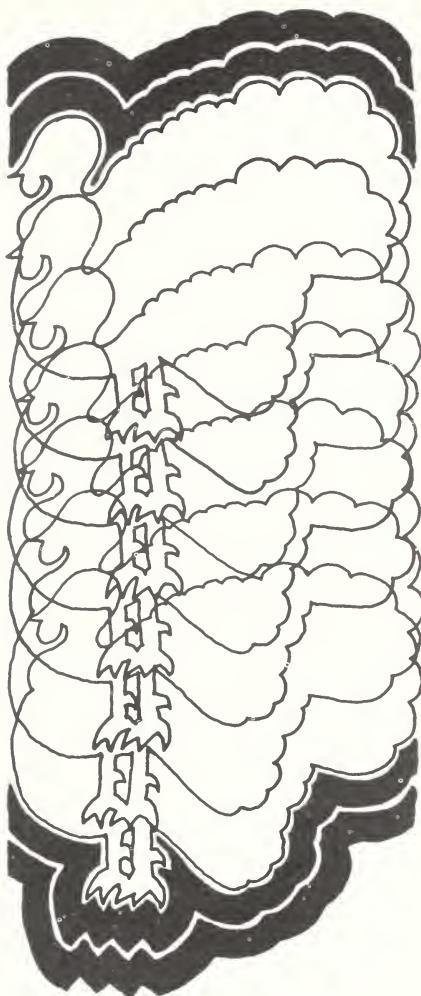
TURKEY GROWERS' WISH

Pull a wishbone with anyone in the turkey business and it's no secret what he's hoping for: More people eating more turkey more often during the year.

USDA projections of per capita turkey consumption indicate that at least part of this wish should come true: By 1980 we're slated to be eating about 10.5 pounds of turkey each, nearly a pound and a half more than last year.

Total projected 1980 consumption would be 2.4 billion pounds, necessitating a 26-percent increase in production over 1972's ready-to-cook output.

But the second half of the wish—getting Americans to spread



Greater efficiency. Larger size has allowed many turkey growers to capture certain economies of scale. Since 1965 growers have shaved nearly three-quarters of a pound off the feed required to produce a pound of liveweight turkey. The industry average is now down to just over 4 pounds. Meantime, the labor used per 100 pounds of turkey production has been almost cut in half.

Contributing to the increased efficiency in feed conversion and labor has been decreased mortality due to better management practices as well

as the availability of new vaccines and drugs for disease prevention and treatment.

More vertical coordination. To assure themselves of dependable supplies and to better schedule production, turkey processing firms have taken the initiative in extending the use of production and marketing contracts within the turkey industry. Feed firms also have promoted contracting, though to a lesser extent than in the broiler industry, to promote sales of feed.

In 1970, an estimated 42 percent of all U.S. turkeys were produced under contract, up from about 30 percent in 1960. Additionally, 12 percent of turkeys in 1970 were estimated to have been grown in owner-integrated facilities while 18 percent more were sold under marketing contracts.

Regional production shifts. The record output and depressed prices of 1960 marked a turning point in regional turkey production.

Since that time only the South Atlantic and South Central regions have increased their share of total production. The No. 1 and 2 turkey regions—the West North Central and Western States—have each seen their shares slip slightly.

The relative profitability of growing turkeys versus other enterprises is a very important factor in these interregional shifts.

In some areas of the South Atlantic and South Central regions, less productive soils and limited off-farm employment opportunities have made turkeys a very attractive enterprise.

Apparently the areas emerging into turkey production in these regions have been able to overcome any differential in feed ingredient costs over the Midwest by savings resulting from low transportation rates, a tightly coordinated industry, and mild weather which enables them to utilize a longer ranging season and reduce costs.

CRANBERRIES GALORE

With cranberry production forecast 4 percent larger this year than last, there should be plenty of berries to go with holiday turkeys.

Preliminary SRS estimates in August put the 1973 crop at 2.2 million barrels (each 100 pounds), the second largest of record. The all-time high came in 1971 when output reached 2.3 million barrels.

Markets at that time were able to absorb only about three-fourth of the large 1971 crop. In 1972 markets did use a record 2 million barrels.

Both cranberries and turkey are certainly a longtime Thanksgiving tradition, even though historians say there's no positive proof that the bright red fruit were on the menu at the first Thanksgiving feast in 1621. However, it's entirely possible they did grace the festive board—since the Indians used cranberries in a number of their favorite foods, among them succotash and a high-energy concoction called pemmican, made from dried deer meat.

Commercial cranberry production in the United States dates back to 1816 when a Cape Cod grower named Henry Hall noticed how luxuriantly wild cranberry vines were thriving where sand from the dunes could blow over them.

Hall transplanted some wild vines to a swampy area close to his home—and his efforts evidently met with success for in 1832 a Cape Cod paper published an article about his work. The writer noted that Hall was getting a yield of about 70 bushels an acre on his grounds.

By the mid-1850's cranberry production had achieved the stature of an industry in Massachusetts. As early as 1854 the Bay State started keeping statistics on annual crop output and value.

Massachusetts has been the Nation's No. 1 cranberry State down through the decades, producing

about two-fifths—or 870,000 barrels—of the 1973 total. Output this year is about 6 percent ahead of 1972 but is nearly a fifth below 1971.

Other leading cranberry States are: Wisconsin with a forecast output of 837,000 barrels in 1973, up 4 percent from a year ago; New Jersey with 215,000 barrels, up 10 percent; Washington 143,000 barrels, down 7 percent; and Oregon 100,000 barrels, down 4 percent.

WILD RICE: OUR GOURMET GRASS

If you're planning an elegant stuffing for fowl or looking for a new food, try wild rice. Gourmet books swear by it and those who try it say it's delicious.

However, wild rice isn't really rice; it's an aquatic grass not closely related to common rice.

The Nation's leading producer is Minnesota—where the grain is harvested from about 24,000 acres of natural stands and about 17,000 cultivated acres.

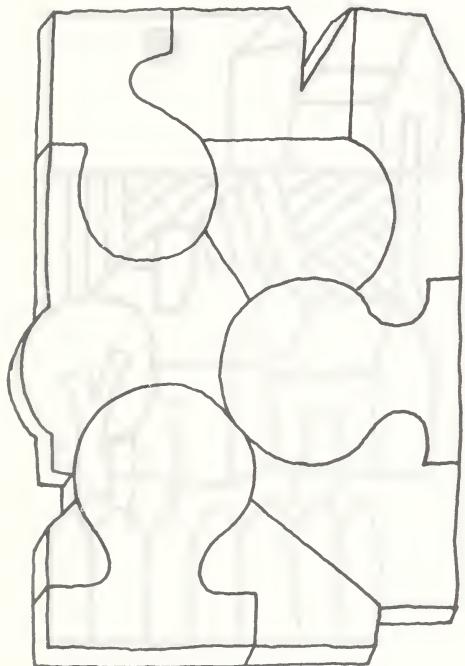
State law restricts harvesting on public lands to licensed Minnesota residents and forbids the use of mechanical harvesters.

Yields on uncultivated stands usually run about 50 pounds of green rice per acre but can fluctuate greatly. Fifty pounds of green rice can be processed into 20 pounds of rice suitable for food.

On cultivated acreage, fields are drained before harvesting with large combines. Yields of 700 pounds of green rice per acre are common.

Minnesota's wild rice production from natural stands has ranged from 446,000 to 3.9 million pounds annually over the past two decades—worth anywhere from \$0.5 to \$2 million.

Production from cultivated acreage has increased from 90,000 pounds in 1968 to 3.7 million pounds in 1972. Commercial producers last year earned over \$3 million.



EACH PIECE IN THE PUZZLE

Each farm operation included in SRS' crop and livestock surveys is very much like a piece in a giant jigsaw puzzle: If any turn up missing they leave a glaring hole in the total picture.

Recently, in an attempt to prevent holes in the agricultural picture, SRS signed a memorandum of agreement with USDA's Extension Service.

Extension agents will be working with SRS to encourage farm and agribusiness people to participate more fully in the Nation's statistical program by responding to mail survey questionnaires and personal interviews aimed at collecting data for crop and livestock estimates.

SRS has been serving agriculture with a constant flow of farm facts

for over a century. During this time the scope of agricultural estimates has increased tremendously as the demands for data have grown.

Data are now collected on nearly 200 crops and livestock products, and issued from the Washington and State offices in hundreds of reports each year.

The mail questionnaire has been the basic method for acquiring data. It was particularly well suited to the era when there were twice as many farms as there are now and most had similar characteristics. It is still an important data collection tool.

However, in recent decades—as farms became fewer in number but larger and more specialized in scope—it was impossible for SRS to be assured of reaching a representative sample of U.S. farms by relying on the mail questionnaires alone. Consequently, the statisticians developed new techniques for sampling—techniques that rely on scientific methods of providing a cross-section of farms.

In these new surveys, farm operations selected for inclusion in the sample represent a known portion of U.S. agriculture. Consequently it's critical for SRS to collect data from each and every farm in the survey—or data for the total agricultural picture will be incomplete. There's simply no sound statistical way to replace a farm if the operator refuses to respond.

SRS estimates quite obviously can only be as accurate as the raw data plugged into them—which means that the full strength of the agency's program rests on the cooperation of a great many data suppliers—farmers, feeders, poultrymen, elevator operators, packinghouse managers, and so on.

It is only with the continued help of the farm and agribusiness communities that the United States can maintain its program of extensive and reliable statistics for the Nation's agricultural economy.

THE GREAT WHEAT WATCH

Keypunched and awaiting processing by a computer, there's nothing impressive about the stack of cards in the corner of the Kansas SRS office.

Yet these cards are critically important to the Nation's agricultural producers and policymakers for they hold the information that will be used in making the first estimate of winter wheat plantings in the Nation's leading wheat State.

Raymond Hancock, who heads the Federal and State Crop and Livestock Reporting Service in Topeka, gestures towards the cards now and then as he details the elaborate procedures his office uses in preparing Kansas' wheat acreage estimates and production forecasts.

Wheat, worth some \$3.6 billion in 1972, ranks as the third most valuable U.S. crop. Consequently all major producing States take similar pains with estimates and forecasts.

"Our estimating effort for wheat begins in late November and early December with two different surveys—each serving as a check on the other's completeness and accuracy," Hancock explains.

"One of these surveys involves a mail questionnaire which we send to about 19,000 Kansas farmers. These producers are asked to provide us with details of their newly seeded wheat acreage and their previous

year's wheat crop—in addition to information about total farm acreage and other crop and livestock enterprises."

"Normally about 25 percent of the farmers receiving these rather lengthy questionnaires respond. Our goal is to get this up to a 50-percent response rate."

In the second survey, Hancock's office relies on trained enumerators to interview all farm operators in 625 carefully chosen land areas.

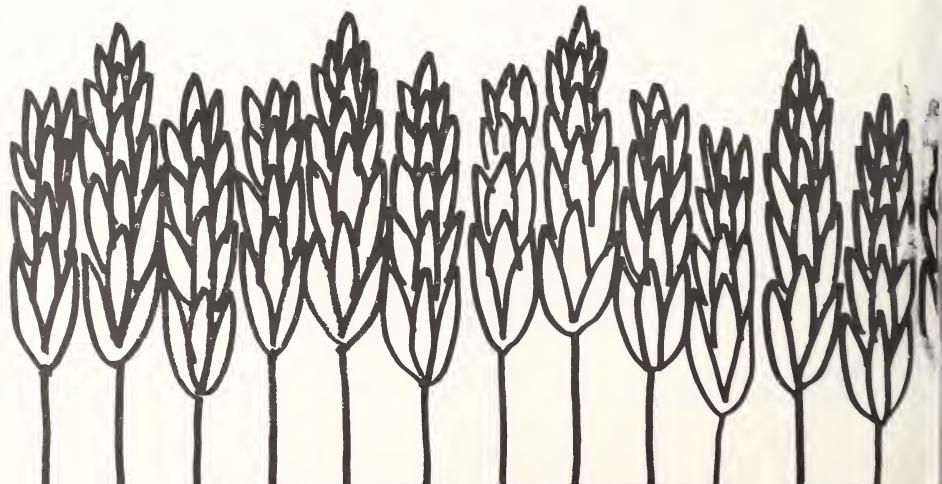
"Each of these land areas has a known probability of being included in the survey, based on its importance in Kansas agriculture," Hancock tells us. "That's why we refer to this type of sampling effort as a "probability survey."

Hancock also notes that at least half of the 625 land areas in the survey were also included the preceding December—which provides his office with a measure of change from year to year.

"Our initial estimate of Kansas' winter wheat acreage and production is issued as part of the Winter Wheat seedings Report, published in Washington, D. C. and scheduled for release on December 21 of this year."

The second forecast of Kansas' winter wheat production is released in May, based on data collected during the last week of April and the first few days of May.

At that time, Hancock's office uses two components in making its production forecasts—an estimate of the wheat acreage to be harvested



for grain and a forecast of the probable yield per acre.

"As a rule we contact about 1,500 of our regular monthly crop reporters regarding their harvesting plans," Hancock states. "On the basis of their answers, we can compute what portion of December's estimated acreage is likely to be harvested throughout the State.

The May 1 yield estimate is based on three factors—the condition of the crop as evaluated by crop reporters; plant counts from 600 scientifically selected sample plots; and a mathematical formula which takes into account moisture received throughout the growing season as well as current crop conditions.

Subsequent production forecasts are made in pretty much the same fashion as the May 1 estimate.

Hancock notes that, "We do revise our acreage for harvest estimates in June and July, on the basis of two major acreage surveys taken during June."

"One of these is a probability land area survey similar to—but considerably larger than—the one made in December. Over 2,100 land areas were included in the survey this past June."

The other midyear survey is a mailed acreage inquiry. In 1973 Hancock's office sent out 14,316 questionnaires.

In 1973 the June surveys indicated that Kansas' initial estimate of wheat acreage for harvest, which had been placed at 10.1 million

acres, was slightly low. Consequently, the estimate was upped to 10.3 million acres for the July 1 production forecast.

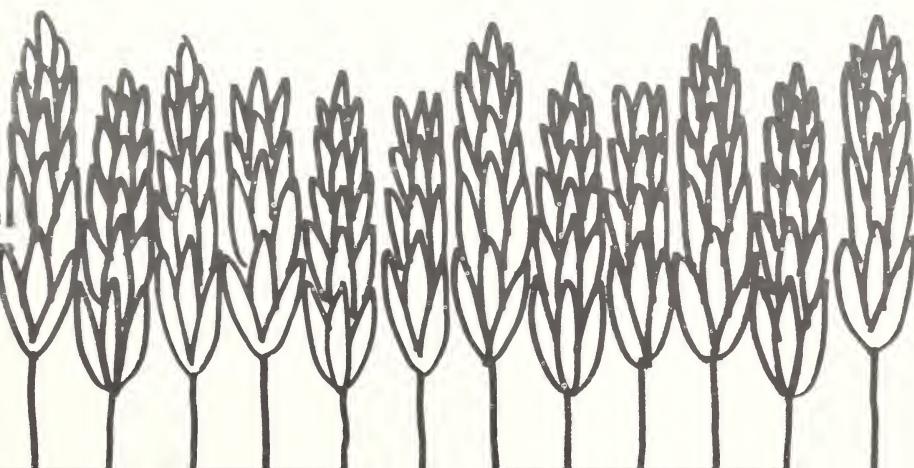
Per acre yield estimates are also revised as more biological data become available.

"Each month we ask crop reporters to reappraise wheat prospects on their farms," Hancock explains. "And each month our enumerators return to the same sample plots to make additional plant counts and yield observations."

From these enumerator counts of the number, height, and maturity of wheat in objective yield plots—and from head samples analyzed by the SRS wheat lab in Topeka, SRS has been able to develop a model to use in projecting a Statewide yield.

Following harvest, SRS enumerators make a final visit to objective yield fields to glean what's been missed by the combines. Hancock notes that in most years slightly over 2.0 bushels of Kansas wheat per acre are left on the ground.

Roughly \$1 in every \$4 earned by Kansas farmers normally comes from wheat, Hancock notes, which is why his office takes such pains with its estimates and forecasts. However, Hancock credits the success of Kansas' estimating program largely to the State's farmers who voluntarily provide the data required to produce the wheat statistics for the State.





Fiscal 1973 was a winner on all counts for U.S. farm exports: Our total sales rose an astonishing three-fifths to a record \$12.9 billion

. . . nearly all major foreign areas bought more products than ever before . . . and new highs were reached for wheat, corn, rice, soybeans, cattle hides, lemons, grapefruits, oranges, fresh vegetables, soybean meal, corn byproducts, and live animals.

Many factors—some short-term, some long—played a part in the 1973 sales success.

First, and perhaps most important, was the unfavorable weather during 1972 that curtailed

harvests in the Soviet Union, Southeast Asia, Australia, and parts of Latin America and Africa.

Sharply lower production in these areas caused demand for agricultural imports to soar to unprecedented levels—and we were just about the only country with the supplies and facilities to fill the gap.

Second, reduced output of Peruvian fishmeal and of peanuts in several important exporting countries increased the demand for U.S. soybeans.

In addition, U.S. farm products were in a better market position than formerly as a result of currency realignments during the past 2

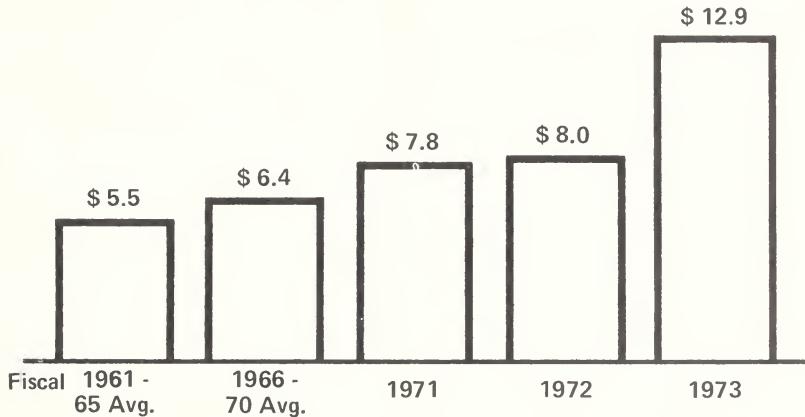
years which made our products more attractive to foreign buyers.

On a longer term basis, foreign demand for U.S. agricultural products has been spurred by higher incomes abroad, especially in Western Europe, Canada, and Japan. Greater use of red meat and poultry in these and other developed countries contributed to a big step-up in purchases of U.S. feed grains

and oilseeds for livestock feeds.

In fact, grains and grain products deserve credit for over half the \$4.85 billion hike in our farm exports last year, while soybeans and products accounted for a fourth. Increases for cattle hides, cotton, meats, tobacco, poultry products, fruits, nuts and vegetables were also important in achieving the record 1973 level. Of all major commodities exported,

VALUE OF U.S. FARM EXPORTS (BILLIONS OF DOLLARS)



LEADING U.S. EXPORTS FISCAL 1973

COMMODITY	VALUE	CHANGE FROM
		FISCAL 1972
	Million Dollars	Percent
Wheat and flour	2,340	+123
Feed grains	2,312	+107
Soybeans	2,288	+ 64
Cotton	747	+ 41
Protein meal	722	+ 82
Tobacco	640	+ 12
Fruits and preparations	457	+ 20
Rice	435	+ 42
Hides and skins (excl. fur skins)	407	+129
Meats and meat products	307	+ 73

only dairy products and vegetable oils were valued below fiscal 1972 shipments.

The volume of our farm sales swelled nearly one-third in fiscal 1973 and accounted for around 60 percent of the value gain. The rest of the rise was attributable to higher prices—especially for soybeans, soybean meal, wheat, feed grains, most fruits and vegetables, cattle hides, meats, tobacco, and nuts.

The destination for many of our exports last fiscal year was either Japan, Western Europe, or the USSR. These three areas accounted for nearly three-fifths of the value of our 1973 shipments.

Sales to Japan climbed to nearly \$2.3 billion—up \$1.2 billion from the previous fiscal year. Most of the gain was concentrated in grains, soybeans, cotton, and hides and skins.

West European imports of U.S. agricultural products, at \$4.4 billion, were nearly half again as high as in fiscal 1972. Again it was larger inshipsments of grains and soybeans—which were necessitated by the increased livestock production—that contributed most to the rise.

Agricultural sales to the USSR, which totaled \$135 million in fiscal 1972, soared to \$905 million last year as unfavorable weather wreaked havoc on the Soviet wheat crop.

In contrast to previous years of crop failure—when the USSR reduced consumption levels, slaughtered cattle, and generally tightened its belt—the government this time decided to purchase substantial quantities of farm products from the West. Wheat was by far the largest U.S. item shipped to the USSR and represented over half of the value of Soviet purchases.

By importing large quantities of high quality wheat for milling, the Russians were able to use their weather damaged wheat for livestock production. Our feed grain exports to the USSR rose 1 million tons to 3.5 million in fiscal 1973.

ORIENTAL TRADE PARADOX

As Americans buy more and more goods “Made in Japan,” the Japanese are buying more and more commodities “Grown in the U.S.A.”

U.S. trade with Japan was deficit \$3 billion in fiscal 1973, the largest fiscal year showing of red ink ever. However, in the agricultural sector we enjoyed a substantial surplus as sales of our farm products soared \$1.1 billion—94 percent—to a grand total of \$2.3 billion.

Japan’s status as our first \$2 billion foreign customer came only 3 years after the country broke the billion-dollar mark. While the increase to Japan in fiscal 1973 was concentrated in grains, soybeans, cotton, and hides and skins, nearly all commodities shipped to the island nation registered some gains.

As a percent of our total farm exports last year, the Japanese took about 55 percent of our sorghum, 45 percent of the hides and skins, a fourth of the soybeans, a fifth of the corn and cotton, and about a tenth of the wheat.

Our top selling commodity was soybeans. Sales to Japan reached \$604 million in fiscal 1973, up \$247 million—69 percent—from the year before. Roughly four-fifths of the value rise was attributable to soybeans’ higher price (which went from an average of \$3.24 a bushel in fiscal 1972 to \$4.80 last year). The remaining fifth was due to larger sales (which gained from 110 to 126 million bushels).

Soybean meal exports to Japan also have been climbing sharply ever since import quotas were lifted in June 1971. In fiscal 1973 our soybean meal shipments increased 11-fold in terms of value, rising from \$3.7 to \$40.5 million. Half of the gain was due to price hikes (\$86 to \$169 per short ton); half due to greater quantity (which climbed from 43,000 to 240,000 short tons).



Backed by convenience and price, the frozen french fry rose from near insignificance to prince of the potato kingdom during the 1960's. And by 1980 it will probably be king!

USDA projections also point to an 8-pound gain in per capita potato consumption by 1980, up from approximately 119 pounds at the start of the 1970's.

And the experts see the frozen fry

capturing nearly a third of per capita use—which would make it the leading potato product.

The past and the forecasted success of the fry parallel recent changes in America's life styles.

More working wives and more away-from-home eating have made this fast-cook, waste-free food a favorite with U.S. cooks.

And the frozen fry is also one of the few foods that has gotten cheaper over time: Nine ounces cost 19.7 cents in 1960 but only 16.6 cents in 1970. And in the summer of 1973 they cost 17.1 cents, still under the 1960 level.

In contrast, fresh potatoes, long the ruling form of use, are gradually losing their supremacy. Per capita consumption slipped from 85 to 60 pounds during the 1960's as U.S. cooks apparently begrudged the raw product its longer preparation time and higher price.

Ten pounds of fresh potatoes cost approximately 18 cents more in 1970 than in 1960. Last year 10 pounds of potatoes cost 93 cents.

By 1980 per capita fresh use is calculated to fall to under 40 pounds as further increases in prices and the difficulties in marketing uniform quality products work against sales.

PER CAPITA CONSUMPTION OF FROZEN FRENCH FRIES

47 Pounds

7 Pounds

28 Pounds

1960

1970

1980



CATTLE ON FEED: ARE THEY THERE?

When World War II ended, there were 4.4 million head of cattle and calves on feed in the 26 States covered by the SRS estimating program. The number didn't top 10 million until about 1966.

But by early 1973, almost 14½ million were being fed out in 50 States; a midyear look indicated 12.7 million in the 23 major feeding States.

The more than 154,000 lots in these 23 States accounted for 96 percent of all cattle and calves on feed. Nearly 27 million fed cattle were marketed from these lots in 1972 which represented 75 percent of the total commercial cattle slaughtered that year. Just over 2,000 lots sold 16½ million head.

If this bookkeeping isn't impressive enough, consider that SRS also keeps tabs on the total cattle and calf inventory, the number of calves born during the year, replacement heifers and cow inventory, cattle placed on feed, fed cattle marketings, and number of farms keeping cattle, and number of cattle feed lots and fed cattle marketed by size of feedlot. Breakdowns of cattle are provided by States, weight, and class. In all, SRS issues 27 national reports annually dealing with cattle, with each State releasing additional individual reports.

How do statisticians know their estimates are on target? We put this question to Wilbert Walther, the Chief of SRS's Livestock, Dairy and Poultry Branch. Walther stresses that SRS leans heavily on the cooperation of cattle feeders, and over time their responses to mail surveys have been reliable for most estimating pur-

poses. But with the trend to more large feedlots, this type of sample survey has been supplemented with extensive enumeration.

For example, each State office of SRS tries to maintain a list of all cattle feeders in the State from farmer-feeder to large lot operator. In the case of most Midwest States, where the farmer-feeder is prevalent, mail questionnaires sent to a sample of the feeders are still used extensively. On the other hand, in a State with a heavy concentration of large feedlots, the field office follows up its questionnaire with a phone call or visit for a full count of cattle on feed in the larger lots, usually those with over 1,000 head. Walther is quick to admit the importance of these lots to the estimate.

In the 23 major feeding States, SRS secures an actual count of about 60 percent of the cattle being fed. In Texas, the No. 1 feeding State and several western States, the staff goes even further and gets a head count of nearly all cattle in lots. This technique leaves only a relatively small proportion to be estimated from a sample survey.

How does SRS make sure its estimates are on target?

To check the level of estimates, SRS uses data from federal slaughter inspection records, steers and heifers sold out of first hands for slaughter at major markets, receipts at packing plants, and brand inspections.



a
9

Outlook

DIGESTED FROM OUTLOOK REPORTS OF THE ECONOMIC RESEARCH SERVICE
FORECASTS BASED ON INFORMATION AVAILABLE THROUGH SEPTEMBER 1, 1973

UPPED LAND LIMITS . . . If recent commodity prices hold, farmers may be lured into seeding every square inch they can next season. That could come out to 334 million acres for 1974's harvest, the most since 1956. USDA figures it this way: 319 million acres are in crops now. Assuming most of the land currently set aside gets planted, that would be another 12 million acres. Then add in 3 million acres from summer fallow and grassland.



NOT LIKELY TO BE PLANTED are the 44 million acres now in cropland pastures because of record animal numbers. Another 250 million acres have crop potential, but not for next year, because they need reclaiming from wetness, dryness, or unevenness.



FERTILIZER . . . Exports of U.S. fertilizers have boomed because foreign buyers can top domestic ceiling prices while getting a discount because of dollar devaluation. At the same time domestic fertilizer needs are soaring. After expanding 25 million acres this spring plantings will grow further next year. It might be tough to get a specific type of fertilizer this fall, and by spring American plants will not be able to provide enough to meet demand.



PLANTS are already operating up to capacity. Phosphate output will expand slowly over the next few years as plants underway are completed and brought into production. But ammonia production, basis of nitrogen fertilizers, has been caught by the energy crunch. Natural gas deliveries to ammonia plants have been shaved this year and face continued curtailment.



COTTON . . . Expected production as of September 1 of 12.9 million 480-pound bales will fall short of 1973/74 domestic and export demands by around 400,000 bales. Carryover next summer may be off 300,000 bales from the 3.9 million carried into 1973/74.

HOT EXPECTATIONS for cotton exports have been fanned by the surprisingly large amounts of U.S. cotton contracted for delivery in 1973/74, and even for 1974/75. During 1973/74 exports of 5½ to 6 million bales look likely.

●

BOLT BATTLE . . . Cotton continues to face keen competition from manmade fibers, especially in the United States. Last year, U.S. production of synthetic fibers hit 7-1/3 billion pounds, up a fifth from 1971. World production totaled 24 billion pounds, up a tenth from 1971.

●

GATHERING EXPENSIVE WOOL . . . U.S. wool production, forecast at 144 million pounds for 1973, was 9 percent under last year's crop, the thirteenth annual drop in a row. However, prices are booming: Last year ranchers got 35 cents per pound, this year they'll average over 72 cents. Growers, while delighted by wool prices, are uncertain whether they would do better to cash in on high meat prices by slaughtering sheep.

●

FEED GRAIN SUPPLIES for 1973/74 could total 245 million tons, based on September 1 indications, 2% below the previous year's record supply, 249 million tons. Production of the four feed grains was estimated at 207 million tons, 7 million more than last year. But carryover into 1973/74, at roughly 35 million tons, was 14 million tons under last year's level.

●

HERE . . . U.S. feed grain use in 1973/74 will probably change little from the 172 million tons of 1972/73. Lower feeding rates will offset a 2% to 3% rise in the numbers of grain eating animals.

●

THERE . . . The export demand for feed grains in 1973/74 looks strong. Foreign demand is projected around 40 million tons, nearly up to 1972/73's record 42-million-ton level.

●

EVERYWHERE . . . World coarse grain (feed grain plus rye) production in 1973 looks like it will weigh in at about 620 million short tons, up sharply from 1972's 585 million. The Soviet Union accounted for the bulk of the increase, producing around 13 million tons more than last year. The U.S. coarse grain gain was about 7 million tons. However, even with the increase, world stocks of feed grains and rye will continue at relatively low levels.

●

ANIMALS AS CONSUMERS . . . The animal outlook, measured in grain consuming units, indicates a 2½% increase, instead of a 4% hike seen last winter. Reasons for retrenchment: High feed costs, smaller corn supply, export demand for feed grains, and the ability of farmers and ranchers to hold animals on grass longer.

Statistical Barometer

Item	1971	1972	1973—latest available data
Prices:			
All prices received by farmers (1967=100)	112	126	207 August
Crops (1967=100)	107	116	195 August
Food grains (1967=100)	94	108	286 August
Feed grains and hay (1967=100)	106	105	209 August
Feed grains (1967=100)	106	101	215 August
Cotton (1967=100)	109	128	162 August
Tobacco (1967=100)	113	123	128 August
Oil-bearing crops (1967=100)	108	116	275 August
Livestock and products (1967=100)	116	133	217 August
Meat animals (1967=100)	120	146	253 August
Dairy products (1967=100)	116	119	134 August
Poultry and eggs (1967=100)	101	103	235 August
Wool (1967=100)	52	93	216 August
All prices paid by farmers	120	127	151 August
Ratio ² (1967=100)	94	99	137 August
Consumer price index, all items (1967=100)	121	125	133 July
Food (1967=100)	118	124	141 July
Farm Income:			
Volume of farm marketings (1967=100)	110	112	106 July
Cash receipts from farm marketings (\$bil.)	52.8	60.7	75.5 ⁴
Realized gross farm income (\$bil.)	59.7	68.9	82.5 ⁴
Production expenses (\$bil.)	44.5	49.2	58.0 ⁴
Realized net farm income (\$bil.)	15.2	19.7	24.5 ⁴
Income and Spending:			
Disposable personal income, total (\$bil.)	746.0	797.0	870.4 ⁴
Expenditures for food (\$bil.)	117.5	125.0	135.8 ⁴
Share of income spent for food (percent)	15.7	15.7	15.6 ⁴
Farm Food Market Basket: ³			
Retail cost (1967=100)	116	121	142 July
Farm value (1967=100)	114	124	167 July
Farmers' share of retail cost (percent)	38	40	46 July
Agricultural Trade:			
Agricultural exports (\$bil.)	7.7	9.4	8.9 Jan.-July
Agricultural imports (\$bil.)	5.8	6.5	4.7 Jan.-July
Farm Production and Efficiency:			
Farm output, total (1967=100)	110	111	115 August
Crops (1967=100)	112	113	118 August
Livestock (1967=100)	107	108	108 August
Cropland used for crops (1967=100)	100	98	104 August
Crop production per acre (1967=100)	112	115	113 August
Farm inputs, total (1967=)	102	102	103 August
Farm output per unit of input (1967=100)	108	109	111 August

¹Fresh market for noncitrus and fresh market and processing for citrus.

²Ratio of index of prices received by farmers to index of prices paid, interest, taxes, and farm wage rates.

³Average quantities per family and single person households bought by wage and clerical workers, 1960-61, based on Bureau of Labor Statistics figures.

⁴Annual rate, seasonally adjusted, second quarter.

AGRICULTURAL SITUATION

NOVEMBER 1973 • VOL. 57 NO. 10
GERALDINE SCHUMACHER, EDITOR

The Agricultural Situation, published 11 times a year by USDA's Statistical Reporting Service, is distributed free to crop and livestock reporters in connection with their work. Contents of the magazine may be reprinted without permission. Use of funds for printing this publication were approved by the Office of Management and Budget, January 2, 1969. Subscription price two dollars a year (two dollars and fifty cents foreign). Single copies twenty-five cents. Order from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

U.S. DEPARTMENT OF AGRICULTURE
STATISTICAL REPORTING SERVICE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE \$300

To stop mailing or to change your
address send mailing label on this
magazine and new address to the
SRS office in charge of your State.

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE
AGR 101

990
U S DEPT OF AGRICULTURE
LIBRARY
WASHINGTON DC 20250

